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the situation of the steel industry in the Russian Zone as of August 1950.

1. Stahl-und Walzwerk Hennigsdorf

   a. In addition to the four 60-ton SM furnaces, each at present producing 240 tons per day and working 25 days per month, one new 80-ton SM furnace (320 tons daily) is to be erected.

   b. An additional generator plant is now under construction.

   c. A steel cleaning and dressing shop, with a plant for handling crude ore and annealing furnaces, capable of a monthly production of 2000 tons will be erected by the end of 1950. The building to house this plant will be completed shortly.

   d. The capacity of the cogging mill is to be raised to 600 tons per day by the addition of several new reheating furnaces of the four-chamber type.

   e. The contemplated mechanization of the various rolling mill trains is not being carried out for the time being.

   f. The quality of steel produced has improved very considerably during the last three months. In 1949, waste production resulting from inferior quality amounted at times to as much as 70% of the total output. This figure has now been reduced to 15 - 20%.

   g. The Technical Manager of this plant since October 1949 has been Dr. Ing. Kintscher, formerly of the Andreashütte, Upper Silesia.

   h. The General Manager of the plant is Hensel, formerly of Maxhütte, Unterwellenborn.

2. Hoffmann & Motz, Eberswalde

   a. No recent changes have been made at this plant.

   b. It is planned to erect one annealing furnace.

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3. Walzwerk Kirchmöser

a. The linking of frames of the heavy plate rolling train has increased the latter's capacity to 240 tons per day (25 days per month).

b. The light sheet mill has been completely mechanized and now produces 200 tons per day.

c. One double plate annealing furnace with complete adjustment fittings for sheet steel is at present being erected. This furnace is being constructed by the Nil swerke, Berlin and Chemnitz 50X1-HUM

4. Walzwerk Burg

a. At present only one medium plate rolling mill is being operated.

b. A gas generator plant is to be built before the end of 1950 to replace the supplies of piped gas formerly obtained 50X1-HUM

c. It is planned to increase the rolling mill capacity in 1951 by rearranging the layout of the various frames and furnaces.

5. Kupfer-und Blechwalzwerk Ilsenburg

a. Alterations to the two slab bloom furnaces now being carried out will result in an increase in the annual steel sheet rolling capacity of the steel section of this plant to 70,000 tons. This target figure is to be reached and work to be completed before the end of 1950.

b. One annealing furnace is to be set up for the refining of sheet steel.

c. The non-ferrous section of this plant is to double its output in 1951.

6. Kupfer-und Messingwerke Hettstedt

a. The sheet steel production at this plant is to be doubled in 1951.

7. Eisen-und Hüttenwerk Thale

a. This plant has now ceased to be an SAG and has become a VEB.

8. Maxhütte, Unterwellenborn

a. One new 100-ton "Wiederschacht" furnace to burn brown coal briquettes is being erected and it is estimated that it will be operating in December 1950.

b. The state of the four blast furnaces has remained unchanged during the last few months.

c. In 1951 a sintering plant is to be erected. One 60-ton lime furnace is at present being built; five more are to be built in 1951.

d. The output of the cogging mill is to be doubled in 1951. In this connection it is hoped to obtain a new rolling mill frame 50X1-HUM

e. One wide strip mill is now being erected. The furnaces and framework are ready. Furnace capacity will be 24 tons per hour.

f. The trio rolling mill is to be provided with a new furnace when the old one has been dismantled.

g. One annealing furnace with a capacity of 10 tons per hour is to be set up before the end of 1950. This is to produce steel for ball bearing rings.

50X1-HUM

9. SAG Fackel, Zwickau

A steel form foundry is to be built in 1951. Four 10-ton SM furnaces and two 10-ton electro-furnaces are planned.

10. Eisen-und Stahlwerk Gröditz

a. The two 15-ton SM furnaces are to be made three times as large.

b. One new 15-ton electro-furnace is to be erected.

c. In 1951, one light sheet mill and one high-speed mill are to be erected.

11. Stahl-und Walzwerk Riesa

a. The old steel plant of six SM furnaces is to be enlarged by the addition of two new electro-furnaces.

b. New steel works are being erected. The buildings have already been completed.

c. The erection of the buildings for the new pipe-rolling mill along the Roederau-Riesa railway line is now proceeding, and the foundation walls are up to a height of 3 ft. above ground level. This rolling mill is to be chiefly supplied

50X1-HUM

12. Blechwalzwerke Olbernhau

The box-shaped annealing furnaces started operating in August, 1950. Capacity is to be doubled in 1951.

13. Lange Metallwerke Auerhammer

There have been no recent alterations nor are there any new projects to report.

14. Railroad Repair Shops, Dresden

a. One new billet furnace producing 220 tons per day to serve two billet roll frames is now operating. These two frames were built at this plant with much improvisation, their "Ballen" diameter being 450 mm.

b. The light sheet mill, consisting of six frames, "Ballen" diameter 320 mm, with a maximum capacity of 120 tons per day, is operating. It is being driven by a locomotive which has been fitted with a flywheel which is too small. Production consequently often drops to 60 tons per day.

15. Lauchhammerwerk

The plant is working exclusively for the mining industry.

16. Refined steel

a. At present only the Hennigsdorf steel plant is producing refined steel. Initial experiments have proved successful, and now the steel is being rolled.

b. The rolling of refined steel sheets is planned at Riesa and Gröditz.

c. The Thale plant is mainly rolling dynamo sheet steel and fine sheet steel from refined steel ingots.

d. The electrode drive and lowering device difficulties that have so far hampered the production of refined steel have now been overcome by a Chemnitz firm.

17. Training of new skilled labor

a. Each departmental head at the Russian Zone steel plants has been allocated one or two promising young workers for training. If they show aptitude, these workers are recommended for free technical college or university education after completing a period of manual labor.

b. Special efforts are being made to find suitable female personnel for leading appointments.

18. Present Bottlenecks

a. Steel ingots for rolling mills are in extremely short supply. This shortage has resulted in restricting rolling mills to the production of angle iron of 50-100 mm. and T and U iron of 12-18 and 22-30 mm. profiles. Only the Riesa and Hennigsdorf plants can produce ingots for rolling mills. Foundry blocks must therefore sometimes be used instead of ingots.

b. Hard coal is in short supply because of a lack of foreign currency.

c. Chamotte is available up to "Seger cone" 32-33 only. Only two factories are supplying such chamotte - Bergbau-Gesellschaft in Teicha and the Tittel plant in Meissen.

d. Manganese is supplied in insufficient quantity by the Russian authorities.

e. Stocks of scrap iron at the steel plants are barely sufficient to meet day to day requirements and no plant holds any extensive reserve stocks.

f. Practically all non-ferrous metal is exported to the USSR. Only very small amounts are left.

g. Rollers for rolling mills are being produced only at the Walzwerk (sic; possibly the Eisengiesserei) Coswig. Because of a lack of hard coal supplies, however, only one flame furnace can operate, and that with periodic interruptions. The quality of rollers produced at Coswig is adequate for thin sheet mills though there is some variety in the hardness of the casing.